

Official Transcript of Proceedings

NUCLEAR REGULATORY COMMISSION

Title: Draft Environmental Impact Statement
Catawba Nuclear Station License Renewal
Afternoon Session

Docket Numbers: 50-413 and 50-414

Location: Rock Hill, South Carolina

Date: Thursday, June 27, 2002

Work Order No.: NRC-445 Pages 1-37

NEAL R. GROSS AND CO., INC.
Court Reporters and Transcribers
1323 Rhode Island Avenue, N.W.
Washington, D.C. 20005
(202) 234-4433

1 UNITED STATES OF AMERICA

2 NUCLEAR REGULATORY COMMISSION

3 + + + +

4 DRAFT ENVIRONMENTAL IMPACT STATEMENT

5 DUKE ENERGY CORPORATION

6 CATAWBA NUCLEAR STATION, UNITS 1 AND 2

7 LICENSE RENEWAL

8 + + + +

9 PUBLIC MEETING

10 + + + +

11 THURSDAY, JUNE 27, 2002

12 + + + +

13 ROCK HILL, SOUTH CAROLINA

14 + + + +

15 The above entitled matter came on for public meeting
16 pursuant to Notice at 1:36 p.m. Rock Hill City Hall, City Council Chambers,
17 Rock Hill, South Carolina, Chip Cameron, Moderator, presiding.

18 APPEARANCES OF NRC STAFF:

19 CHIP CAMERON

20 RANI FRANOVICH

21 JIM WILSON

22 MARY ANN PARKHURST

23 ROBERT PALLA

24
NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1	
2	I-N-D-E-X
3	Rani Franovich
4	8
5	Jim Wilson
6	13, 31
7	Mary Ann Parkhurst
8	16
9	Bob Palla
10	23
11	Tony Jenetta
12	28
13	Gary Peterson
14	34
15	Ed Fitzgerald
16	35
17	
18	
19	
20	
21	
22	
23	
24	
25	

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 P-R-O-C-E-D-I-N-G-S

2 (1:36 p.m.)

3 MR. CAMERON: Good afternoon, everyone, my name is
4 Chip Cameron, I'm the special counsel from public liaison at the Nuclear
5 Regulatory Commission and I'd like to welcome you to the NRC's public
6 meeting today.

7 It's nice to be back here in Rock Hill with you. We were here
8 last year to ask you for some information on what should go into the
9 preparation of a draft environmental impact statement in regard to the
10 application by Duke Energy Corporation to renew the licenses for Units 1 and
11 2 at the Catawba Nuclear Station.

12 We're back tonight to talk to you about the draft
13 environmental impact statement that the NRC has prepared, and to discuss the
14 findings of that statement with you.

15 It's my pleasure this afternoon to serve as your facilitator, and
16 in that role, I'm going to try to make sure that all of you have a productive
17 meeting today.

18 I just want to go over three items of meeting process before
19 we get into the substance of today's discussion. I'd like to talk about
20 objectives, first of all; secondly, format and ground rules; and thirdly, I'd like to
21 give you an idea of the agenda and what to expect today and to introduce the
22 NRC staff who will be doing the presentations for you today.

23 In terms of objectives, we want to make sure that we clearly
24 describe the preliminary findings in the draft environmental impact statement
25 and also answer any of your questions about the license renewal process

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 generally as well as the draft environmental impact statement.

2 A second objective, and a most important one, is to listen to
3 your comments on these issues. The ultimate goal is to use the comments that
4 we hear today to help us finalize the draft environmental impact statement.

5 You'll be hearing that we're accepting written comments on
6 the draft environmental impact statement but we're here this afternoon and
7 again tonight to talk with you in person.

8 You may hear information today from the NRC staff or
9 perhaps from some of your neighbors in the community that will help you
10 prepare written comments if you wish to do so. But I do want to emphasize that
11 anything that you say here today is going to carry the same weight as any
12 written comments that are submitted.

13 In terms of the format for today's meeting, basically we're
14 going to do the meeting in two parts. The first part is to give you background
15 on license renewal and on the draft environmental impact statement. We're
16 going to have a series of very short NRC presentations for you, and after those
17 presentations, we'll go out to you to see if you have any questions that we can
18 answer on those particular topics.

19 The second part of the meeting is where we'll ask any of you
20 who wish to talk to come up and make a more formal statement to us and we'll
21 be in the listening mode then. We want to hear what you have to say.

22 In terms of ground rules, they're very simple. If during the first
23 part of the meeting when we're doing presentations and questions and
24 answers, if you want to say something, just signal me and I'll bring you this
25 talking stick. And then please state your name and affiliation if appropriate for

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 the record. We are taking a transcript today, our stenographer is right here.
2 And that transcript will be available on the NRC website and that will form the
3 record of any comments that we hear today.

4 In terms of the second part of the meeting, there are sign-up
5 cards out at the desk. If you wish to speak, please sign up. If you haven't
6 signed up and you get the motivation during the meeting that you do want to
7 say something, that's fine. We just use the cards to see how many people to
8 anticipate speaking.

9 A second ground rule is that I would request that only one
10 person at a time talk, so that we can not only get a clean transcript, but most
11 importantly so that we can give our full attention to whomever has the floor at
12 the moment.

13 And a final ground rule, I would just ask you to try to be
14 concise. I know that's difficult on these types of issues, but I want to make sure
15 that everybody has an opportunity to talk. I don't think that we're going to be
16 pressed for time today, so there's less pressure on us in that regard. But if you
17 can, be concise, and during the formal comment part of the meeting, I'm going
18 to set a loose ground rule of five to seven minutes for a presentation. But
19 again, I think we have plenty of time this afternoon.

20 I would thank you for being here today. It's an important
21 decision that the NRC has to make in terms of not only finalizing the
22 environmental impact statement but also making the decision on whether to
23 approve the license renewal applications. Thanks for helping us with that
24 decision.

25 Before I get to the agenda and introducing the NRC staff, if

1 you haven't signed in, please do so, because we'll be able then to send you
2 notices of future meetings, additional information that's developed on the
3 license renewal application and there's also an evaluation form for the meeting
4 back there, that helps us in terms of giving us ideas of what we're doing right,
5 what we're doing wrong, where we need to improve in terms of public meetings.
6 So please fill one of those out for us.

In terms of the agenda, we're going to start off by giving you
an overview of the license renewal process generally and we're going to ask
Rani Franovich, who is right here -- Rani is the project manager for the safety
evaluation on the Catawba license renewal application.

11 Rani is in our Office of Nuclear Reactor Regulation and, as
12 I said, she's the project manager. She's been with NRC for approximately 11
13 years and in her career at the NRC, she has been the resident inspector at the
14 Catawba Nuclear Station, so she knows the facility well.

15 She has a Master's degree in industrial and systems
16 engineering from Virginia Tech.

17 So Rani is going to give us overview of license renewal. We'll
18 go on to you for any questions that you have.

19 Then we're going to get more specific. We're going to look
20 at the environmental review process, and to give us that background, we're
21 going to go to Mr. Jim Wilson, who is right here. He's the project manager for
22 the environmental review on the Catawba license renewal application. Again,
23 he's in our Office of Nuclear Reactor Regulation.

He's been with the Commission for 27 years and he has a
Master's in zoology also from Virginia Tech.

1 After Jim's done, we'll go out to you for questions on process
2 and then we're going to get to the real heart of the discussion today. We're
3 going to give you an overview of some of the important findings that are in the
4 draft environmental impact statement and we have Mary Ann Parkhurst, who's
5 right over here.

6 Mary Ann is the task leader for the environmental review on
7 the Catawba license renewal application. Mary Ann is with Pacific Northwest
8 National Labs. She is one of our expert scientists that we have working on the
9 preparation of this environmental review, and she'll tell you a little bit more of
10 other scientists who are working on this particular project.

11 She also has done the environmental reviews, she's been the
12 task leader of the environmental review for two other license renewal
13 applications. Once was the Calvert Cliffs reactor, which was actually the first
14 license renewal application that the NRC processed. And she also was the
15 team leader for the Plant Hatch license renewal. Hatch being down in Georgia.

16 She's been with Pacific Northwest Lab for 25 years doing
17 various aspects of environmental science. She has a Master's degree in
18 ecology from Washington State University and also a Master's degree in
19 radiological sciences from the University of Washington.

20 After she tells us about the findings in the draft environmental
21 impact statement, we'll go again for questions, make sure that we answer all
22 your questions on this topic.

23 And then we're going to go to another aspect of the draft
24 environmental impact statement, an important aspect. This is the part of the
25 statement that deals with severe accident mitigation alternatives. We have Bob

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 Palla here from the NRC staff. He's a senior reactor engineer at the NRC in
2 the Probabilistic Safety Assessment Branch, again Office of Nuclear Reactor
3 Regulation.

4 He's been with the NRC for 21 years doing various types of
5 accident reviews at nuclear power plants and Bob has a Master's in mechanical
6 engineering from the University of Maryland.

7 Just let me do one other introduction, and this is not a person
8 who's presenting, but P.T. Kuo is the branch chief of license renewal at the
9 NRC and that's where safety review, environmental review gets done. And
10 thank you for being with us today, P.T.

11 And with that, let's go to Rani, to hear about license renewal
12 in general.

13 MS. FRANOVICH: Thank you, Chip.

14 Good afternoon. As Chip indicated, I'm Rani Franovich, I'm
15 the project manager for the safety review of the application for license renewal
16 for Catawba Nuclear Station.

17 Before I talk about license renewal process and the staff's
18 safety review, I'd like to spend some time talking about the Nuclear Regulatory
19 Commission or the NRC, what we do and what our mission is.

20 The Atomic Energy Act of 1954 authorizes the NRC to
21 regulate civilian use of nuclear materials. The NRC's mission is three-fold: to
22 ensure adequate protection of public health and safety; to protect the
23 environment; and to provide for the common defense and security.

24 The NRC consists of five Commissioners, one of whom is the
25 NRC's Chairman, and the staff.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 The regulations enforced by the NRC are issued under Title
2 10 of the Code of Federal Regulations or commonly called 10 CFR in the
3 nuclear industry.

4 The Atomic Energy Act provides for a 40-year license term
5 for power reactors, but it also allows for renewal. That 40-year term is based
6 primarily on economic and antitrust considerations, not on safety limitations.
7 Major components were initially expected to last for up to 40 years, however,
8 operating experience has demonstrated that some major components such as
9 steam generators do not realistically last that long. For that reason, a number
10 of utilities have replaced major components such as steam generators and
11 because components and structures can be replaced or reconditioned, plant
12 life is determined primarily by economic factors.

13 Applications for license renewal are submitted years in
14 advance, for several reasons. If a utility decides to replace a nuclear power
15 plant, it could take up to 10 years to design and construct new generating
16 capacity to replace that nuclear power plant. In addition, decisions to replace
17 or recondition major components can involve significant capital investment.
18 As such, these decisions involve financial planning many years in advance of
19 the extended period of operation.

20 Duke Energy Corporation has applied for license renewal
21 under 10 CFR Part 54, and requests authorization to operate the Catawba
22 Nuclear Units for up to an additional 20 years.

23 Now I'm going to talk about license renewal, which is
24 governed by the requirements of 10 CFR Part 54, or the license renewal rule.
25 That rule defines the regulatory process by which nuclear utilities, such as

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 Duke Power, applies for a renewed operating license. The license renewal rule
2 incorporates 10 CFR Part 51 by reference. And 10 CFR Part 51 provides for
3 the preparation of an environmental impact statement or EIS. The license
4 renewal process is defined in 10 CFR Part 54 and it's very similar to the original
5 licensing process in that it involves a safety review, an environmental impact
6 assessment or evaluation, plant inspections and review by the Advisory
7 Committee on Reactor Safeguards, or the ACRS.

8 The ACRS is a group of scientists and nuclear industry
9 experts who serve as a consultant body to the Commission. The ACRS
10 performs an independent review of the license renewal application and the
11 staff's safety evaluation, and they report their findings and recommendations
12 directly to the Commission.

13 The next slide illustrates two parallel processes -- the safety
14 review process and the environmental review process. These processes are
15 used by the staff to evaluate two separate aspects of license renewal.

16 The safety review involves the staff's review of technical
17 information in the application for renewal to verify, with reasonable assurance,
18 that the plant can continue to operate safely during the extended period of
19 operation. The staff assesses how the applicant proposes to monitor and
20 manage aging of certain components that are within the scope of the license
21 renewal rule. The staff's review is documented in a safety evaluation report
22 and the safety evaluation report is provided to the ACRS for review. Then the
23 ACRS report on their review of the staff's evaluation is prepared.

24 The safety review process also involves two to three
25 inspections, which are documented in NRC inspection reports. These

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 inspection reports are considered with the safety evaluation report and the
2 ACRS report in the NRC's decision to renew a nuclear unit's operating license.

If there is a petition to intervene, sufficient standing can be demonstrated, and an aspect within the scope of license renewal has been identified, then hearings may also be involved in the process. These hearings will play an important role in the NRC's decision on the application as well.

At the bottom of the slide is the other parallel process for the environmental review, which involves scoping activities, the preparation of a draft supplement to the generic environmental impact statement, solicitation of public comments on the draft supplement, and then the issuance of a final supplement to the generic environmental impact statement. This document also factors into the agency's decision on the application.

During the safety evaluation, the staff assesses the effectiveness of existing or proposed inspection and maintenance activities to manage aging effects applicable to a defined scope of passive structures and components. Part 54 requires the application to also include an evaluation of time limited aging analyses, which are those design analyses that specifically include assumptions about plant life, which is typically 40 years.

19 Current regulations are adequate for addressing active
20 components such as pumps and valves, which are continuously challenged to
21 reveal failures and degradations such that corrective actions can be taken.
22 Current regulations also exist to address other aspects of the original license,
23 such as security, emergency planning. These current regulations will also
24 apply during the extended period of operation.

25 In August 2001, the NRC issued a Federal Register notice to

1 announce its acceptance of the Duke Energy application for renewal of the
2 operating licenses for Catawba and McGuire Nuclear Stations. This notice also
3 announced the opportunity for public participation in the process. The NRC
4 received two petitions to intervene. One from the Nuclear Information and
5 Resource Service and the other from the Blue Ridge Environmental Defense
6 League.

7 An Atomic Safety and Licensing Board, or ASLB, was
8 established to preside over thee proceedings. In an order issued on
9 January 24, 2002, the ASLB granted both petitions for hearing and admitted
10 two contentions. The two admitted contentions pertain to (1) the impact of
11 anticipated mixed oxide, or MOX, fuel. And the concern has to do with the
12 effects of the use of that fuel on aging and environmental issues.

13 And the second contention pertained to the completeness of
14 the severe accident mitigation alternatives analysis. It's a SAMA analysis, for
15 station blackout events at ice condenser plants.

16 A third concern pertaining to terrorism was forwarded to the
17 Commission for their review and they are still reviewing that issue.

18 This concludes my summary of the license renewal process
19 and the staff's safety review. At this time, I can answer any questions that you
20 may have.

21 MR. CAMERON: Any questions for Rani on the safety
22 evaluation or how all these parts fit together?

23 (No response.)

24 MR. CAMERON: Okay, thank you very much, Rani, for that
25 overview.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 Let's go to Jim Wilson, who's going to tell us about the
2 environmental review process. And if a question pops into your mind during
3 these presentations that relates to some of Rani's presentation, of course, we
4 can go back and address that. Jim.

5 MR. WILSON: My name is Jim Wilson, I'm the environmental
6 project manager for the Catawba license renewal project. I am responsible for
7 coordinating the efforts of the NRC staff and our contractors from the national
8 labs to conduct and document the environmental review associated with Duke
9 Energy's application for license renewal at Catawba.

10 NEPA, the National Environmental Policy Act, was enacted
11 in 1969. It's one of the most significant pieces of environmental legislation that
12 has ever been passed in this country. It requires all federal agencies to use a
13 systematic approach to consider environmental impacts during certain decision-
14 making proceedings regarding major federal actions. NEPA requires that we
15 examine the environmental impacts of the proposed action and consider
16 mitigation measures, which are things that can be done to reduce impact, when
17 impacts are severe. NEPA requires that we consider alternatives to the
18 proposed action and that the impacts of those alternatives also be evaluated.
19 Finally, NEPA requires that we disclose all of this information and we invite
20 public participation to evaluate it.

21 The NRC has determined that it will prepare an environmental
22 impact statement associated with the renewal of an operating plant license for
23 an additional 20 years. Therefore, following the process required by NEPA, we
24 have prepared a draft environmental impact statement that describes the
25 environmental impacts associated with operation of the Catawba units for an

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 additional 20 years. That environmental impact statement was issued last
2 month, and the meetings today are being held to receive your comments on it.

3 This slide describes the objective of our environmental
4 review. Simply put, we are trying to determine whether the renewal of the
5 Catawba licenses is acceptable from an environmental standpoint -- if license
6 renewal is a viable option. Whether or not that option is exercised -- that is,
7 whether the plants actually operate for an additional 20 years -- will be
8 determined by others, such as Duke and state regulatory agencies, and will
9 depend in large measure on the results of the safety review.

10 This slide shows in a little more detail the environmental
11 review process that Rani showed you in a previous slide. We received the
12 application last June, we issued a notice of intent in the Federal Register in
13 September informing the public that we are going to prepare an environmental
14 impact statement and give the opportunity for the public to provide comments
15 on the scope of the review.

16 Last October, during the scoping period, we held two public
17 meetings here in Rock Hill to receive public comments on the scope of issues
18 that should be included in the environmental impact statement for Catawba
19 license renewal. Also in October, we went to the Catawba site with a combined
20 team of NRC staff and personnel from four of our national laboratories that
21 have backgrounds in the specific technical and scientific disciplines required to
22 perform this environmental review. We familiarized ourselves with the site, we
23 met with staff from Duke to discuss the information submitted in support of the
24 license renewal, we reviewed environmental documentation maintained at the
25 plant, and we examined Duke's evaluation process.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 In addition, we contacted federal, state and local agencies as
2 well as local service agencies to obtain information on the area and on the
3 Catawba plants.

4 At the close of the scoping comment period, we gathered up
5 and considered all of the comments that we had received from the public and
6 from state and federal agencies and many of these comments contributed
7 significantly to the document that we're here today to discuss.

8 Last year, in December, we issued requests for additional
9 information to ensure that any information that we relied on - and that had not
10 been included in the original application - was submitted on the docket.

11 Last month, on May 13, we issued a draft environmental
12 impact statement for public comment. This is Supplement 9 to the generic
13 environmental impact statement, because we rely on the findings of the
14 generic environmental impact statement for part of our conclusions. The report
15 is a draft, not because it is incomplete, but rather because we are at an
16 intermediate stage in the decision-making process. We're in the middle of a
17 public comment period to allow you and other members of the public to take a
18 look at the results and provide any comments you may have on the report.

19 After we gather these comments and evaluate them, we may
20 decide to change portions of the environmental impact statement based on
21 those comments. The NRC will then issue a final environmental impact
22 statement related to license renewal at Catawba in January of 2003.

23 Chip, do you have any -- I lost Chip.

24 MR. CAMERON: I'm here. Are you done?

25 MR. WILSON: I'm done. The next speaker is Mary Ann

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 Parkhurst.

2 MR. CAMERON: I should note that Jim is also going to be
3 back later on before we finish the presentations to tell you about the overall
4 conclusion and to go through where to submit comments and that.

5 But Jim, just let me see, any questions on the environmental
6 review process before we go on to the findings in the draft environmental
7 impact statement?

8 (No response.)

9 MR. CAMERON: Okay, thank you very much, Jim. Mary
10 Ann.

11 MS. PARKHURST: I'm Mary Ann Parkhurst, from Pacific
12 Northwest National Laboratory, and I'd like to tell you about our information
13 gathering process, also the composition of our review teams and the analytical
14 process and results of our draft supplemental environmental impact statement.

15 While developing the draft environmental impact statement,
16 we talked to federal agencies like the Fish and Wildlife Service, state agencies
17 including those that issue water discharge permits and people like in the
18 cultural and historic research offices, local officials and also local social service
19 agencies. We invited the public then to provide comments, as some of you did,
20 during our scoping process.

21 For the review, we established a team made up of members
22 of NRC staff supplemented by experts in various fields from the national
23 laboratories. This slide gives you an idea of the areas of our expertise. Since
24 you can't read it very well there, -- of course some of you have got it on your
25 paper, but -- you have the paper version -- we have atmospheric scientists,

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 radiation protection specialists, regulatory compliance personnel and then
2 socio-economics experts, those with archeology, cultural backgrounds,
3 terrestrial and aquatic ecologists, those involved with land use, water quality
4 and hydrology issues. So we have quite a few experts involved trying to
5 encompass the whole field of the environmental review.

6 The generic environmental impact statement for license
7 renewal, which is NUREG-1437, identifies 92 environmental issues that are
8 evaluated for license renewal. Sixty-nine of these issues are considered
9 generic and are given the name Category 1, which means that the impacts are
10 the same or essentially the same for all plants or that all plants have a certain
11 feature such as plants with cooling towers, are going to have similar effects for
12 those issues.

13 Category 1 is shown here on this side, Category 2 over here.
14 We'll talk about them in a minute. Category 1, again those are small impacts
15 and all pretty much the same, they're considered generic.

16 What we do for the Category 1 issues is we review those for
17 any new information to determine if it's significant. And if we find new and
18 significant information, then we provide a site-specific analysis on that topic.
19 If there's no new information, then the conclusions of the GEIS are adopted for
20 these issues. If new information is identified, like I say, then we go through a
21 more specific site analysis.

22 For the Category 2 issues, or the site-specific issues, related
23 to Catawba, we do a site-specific analysis on them, and this is performed by
24 our multi-disciplinary team.

25 And finally, during the scoping period, the public was invited

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 to provide information on potential new issues.

2 The team reviewed the comments provided and looked to see
3 if there were any issues that needed to be evaluated.

4 For each issue in the GEIS, an impact level is assigned. This
5 is described in Chapter 1 of the report, how we do this and what these impacts
6 are. The impact levels are consistent with the Council on Environmental
7 Quality as guidance for NEPA analysis.

8 Now to be categorized as a small impact, the effect would not
9 be detectable, it would be too small to destabilize or noticeably alter any
10 important attribute of the resource. For an example, the plant may cause the
11 loss of adult and juvenile fish at the intake structure. If the loss of fish is so
12 small that it cannot be detected in relation to the total population in the river,
13 then the impact is considered small. To be categorized as a moderate impact,
14 we would have to show that the effect is sufficient to alter noticeable but not
15 destabilize important attributes of the resource. Using the fishing example
16 again, if losses at the intake cause the population to decline and then stabilize
17 at a lower level, the impact would be considered moderate.

18 And finally, for an impact to be considered large, the effect
19 must be clearly noticeable and sufficient to destabilize important attributes of
20 the resource. So if losses at the intake cause the fish population to decline to
21 a point where it cannot be stabilized and continually declines, then the impact
22 would be considered large.

23 In Chapter 2 of the draft supplemental environmental impact
24 statement, we discuss the nuclear plant and the environment around the plant.

25 In Chapter 3, we briefly discuss that the licensee had not

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 identified any plant refurbishment activities that were necessary for extended
2 operations.

3 In Chapter 4, we look at the potential environmental impacts
4 for an additional 20 years of operation at the Catawba Nuclear Station. And the
5 issues are fairly specific and this slide gives you the highlights of those that we
6 looked at. For example, in the cooling system, and here we include aquatic
7 ecology issues; transmission lines which also includes terrestrial ecology. We
8 look at the radiological impacts, the socio-economic impacts, groundwater use
9 and quality and impacts to threatened or endangered species.

10 This is actually pretty nice picture of the Catawba plant, I
11 don't know if you can see it. I think probably on your handouts, you'll have at
12 least a reasonable photo of it. One of the issues we looked at closely and
13 discussed in some length in Chapter 4 is the cooling system for Catawba
14 Nuclear Station.

15 During our site review, our site visit last October, and during
16 our review of the information, we specifically looked at both the Category 2 site-
17 specific issues as well as the Category 1 generic issues, which are those
18 determined to have the same significance for all plants.

19 We did not identify any new and significant information for
20 any of the Category 1 issues, either during the scoping process by the
21 applicant, or the staff's review of the issues.

22 The Category 2 issues related to the cooling system that the
23 team looked at on a specific basis, including water use conflicts and the
24 potential for detrimental public health impacts from heat loving microorganisms
25 that might grow in the lake as a result of the plant's presence.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 Potential impacts, after doing our evaluation, we decided the
2 potential impacts were determined to be small and additional mitigation is not
3 required.

4 The radiological impacts are a Category 1 issue, but it's often
5 a concern to the public. I want to take a minute and discuss how we
6 determined that there was no new and significant information related to
7 radiological impacts.

8 We looked at the plant's effluent release and monitoring
9 programs while we were at our site visit and we looked at especially the
10 gaseous effluents and liquid effluents released to the environment. We looked
11 at how they were treated before they were released, how the solid wastes were
12 packaged and shipped. This is part of Chapter 2 and we have some
13 background information there.

14 We also looked at how the applicant determines and
15 demonstrates that they're in compliance with regulations for radiological release
16 effluents. Now this slide is showing you near-site and on-site monitoring
17 stations where they monitor for air-borne releases and direct radiation. There
18 are other monitoring sites in places beyond the site boundaries that also
19 include locations where water, milk, fish and food products are monitored and
20 sampled.

21 I guess I would just note that there are a number of numbers
22 on there and those are showing sampling locations.

23 The releases from the plant and the resulting off-site doses
24 are not expected to increase on a year-to-year basis during the 20 year license
25 renewal term. No new and significant information was identified during the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 staff's review, the scoping process or the evaluation of other available
2 information

3 Some prettier pictures here, I think you can see them a little
4 bit better.

5 The last issue I'd like to discuss, of those evaluated in
6 Chapter 4, is that of threatened and endangered species. A description of the
7 terrestrial and aquatic ecology of the area and the potential for endangered and
8 threatened species at the site is given in Chapter 2, a lot of background
9 information there with the species identified. There are no federally listed
10 species that currently occur -- aquatic species that currently occur at the
11 Catawba site. The only federal or state-listed threatened and endangered
12 aquatic specie with the potential to inhabit waters near Catawba is the Carolina
13 heelsplitter, a mussel. All known occurrences of this species in the Catawba
14 River system are limited to small tributary streams located downstream of Lake
15 Wiley. It has not been found present in the vicinity of the plant and it occurs in
16 streams rather than the impounded waters of Lake Wiley.

17 Bald eagles are known to nest at Lake Wiley or at Lake
18 James, which is upstream, and they are known, from the Catawba River area.
19 They are rarely observed, however, as transients at the Catawba site or along
20 transmission right-of-ways.

21 Except for the bald eagle, there are no federally or state-listed
22 terrestrial species known to occur within the Catawba exclusion area or
23 associated transmission rights-of-way.

24 Now the dwarf flowered heartleaf, which is threatened, and
25 the Georgia astor which is a candidate species for listing, are found in the

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 vicinity of the Catawba site or the transmission line rights-of-way, but neither
2 of these species have been observed in these areas during field surveys.

3 For all of the issues the team reviewed, we judged the license
4 renewal impacts are small for Category 1 and 2 issues and determined there
5 was no new and significant information identified during the scoping process
6 in which the public participated, by the licensee or by the staff.

7 We also reviewed uranium fuel cycle and solid waste
8 management issues and decommissioning of the plant. All issues for uranium
9 fuel cycle and solid waste management as well as decommissioning are
10 considered Category 1 generic issues and are discussed in Chapters 6 and 7
11 of the document. No new and significant information was identified for these
12 topics.

13 As part of the environmental impact statement process, we
14 evaluated the potential environmental impacts associated with Catawba if it
15 were to discontinue operating after its current licensing period. This and other
16 alternatives are discussed in Chapter 8. We looked at the no action alternative,
17 which is the scenario where Catawba operating licenses are not renewed and
18 then the plant ceases operation and Duke would decommission the facility at
19 the end of their operating life.

20 We also looked at new generation from coal-fired and oil and
21 natural gas-fired plants, new nuclear power, purchased electrical power, fuel
22 cells, alternative technology such as power from wind, solar, hydro-power,
23 geothermal energy, wood waste, municipal solid waste or other biomass
24 derived fuels. We looked at delayed retirements of other existing facilities as
25 well as utility-sponsored conservation. And then we looked at a combination of

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 alternatives.

2 For each alternative, we considered whether the technologies
3 could replace the baseload capacity of Catawba and whether they would be a
4 feasible alternative to renewal. If they appeared to have potential, we looked
5 at the same types of environmental issues, land use, ecology, socio-economics
6 and so on, that we reviewed for the license renewal term.

7 What we found in our preliminary conclusions for the
8 alternatives that are considered feasible is that these alternatives, which are
9 no-action alternatives, may have environmental effects in at least some impact
10 categories that reach moderate or large significance.

11 For comparison, the license renewal impacts had small --
12 were judged as having small significance.

13 I think that takes care of my part of it, Chip. If there's any
14 questions --

15 MR. CAMERON: Let's see if there are some questions on
16 the findings in the draft environmental impact statement, including alternatives
17 that were looked at. Anybody, questions?

18 (No response.)

19 MR. CAMERON: Okay, Mary Ann, thank you very much.
20 And we're going to go to the last part of the draft environmental impact
21 statement and ask Bob Palla to talk to us about severe accident mitigation
22 alternatives. Bob.

23 MR. PALLA: Thank you, Chip.

24 My name is Bob Palla, I'm a senior reactor engineer with the
25 NRC and I'm going to be discussing severe accident mitigation alternatives or

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 otherwise known as SAMAs for the Catawba plant.

2 As background, the license renewal rule requires that a
3 license renewal applicant consider alternatives to mitigate severe accidents if
4 the staff has not previously evaluated SAMAs for the applicant's plant. In other
5 words, the analysis of SAMAs is a Category 2 issue, as Mary Ann had
6 discussed earlier.

7 Now since SAMAs had not been previously assessed for the
8 Catawba plants, we assessed these as part of the environmental review. We
9 documented this review in Section 5.2 of the environmental impact statement
10 supplement for Catawba.

11 The purpose of doing this analysis, the SAMA evaluation, is
12 to ensure that plant changes with the potential for improving severe accident
13 safety performance are identified and evaluated. Now the scope of potential
14 improvements that we considered included hardware modifications, procedure
15 changes, training program improvements, basically the full spectrum of
16 changes of that sort. And the scope also included SAMAs that would either
17 prevent core damage -- these are sometimes referred to as preventive SAMAs,
18 as well as SAMAs that improve containment performance, given that a core
19 damage event might occur. These are termed mitigative SAMAs.

20 Now to better understand actually how this evaluation is
21 performed, I just want to briefly outline the major steps of the process. It's a
22 multi-step process, with four major steps. The first step is to characterize
23 overall plant risk and the leading contributors to the risk. Now this typically
24 would involve the extensive use of the plant-specific probabilistic safety
25 assessment study, also known as PRA. This PRA identifies the different

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 combinations of system failures and human errors that would be necessary for
2 an accident to progress to either core damage or to containment failure.

3 The second step of the process is to identify potential
4 improvements that can further reduce risk. The information from the PRA,
5 such as the dominant accident sequences, is used to help identify plant
6 improvements that would have the greatest impact in reducing risk.
7 Improvements identified in other NRC studies and other industry studies are
8 also considered in this process. These studies include evaluations, SAMA
9 evaluations performed for other plants, such as the TVA Watts Bar plant, and
10 improvements identified in the probabilistic safety assessments for other plants,
11 because some of these improvements may be applicable to Catawba as well,
12 so they were looked at as well.

13 The next step is to quantify the risk reduction potential and
14 the implementation costs for each improvement. Now the risk reduction and
15 implementation costs are typically estimated in a bounding fashion. Risk
16 reduction is generally over-estimated by assuming that the plant improvement
17 is completely effective in eliminating accident sequences that this improvement
18 is intended to address. And the implementation costs are generally under-
19 estimated by neglecting certain cost factors such as maintenance costs or
20 surveillance costs.

21 Then these risk reduction and cost estimates are used in the
22 final step to determine whether implementation of any of the improvements can
23 be justified. And in determining whether an improvement is justified, we look
24 at three factors.

25 The first is whether the improvement is cost-beneficial. In

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 other words, is the estimated benefit greater than the estimated implementation
2 cost for the SAMA.

3 The second factor is whether the improvement provides a
4 significant reduction in total risk. For example, does it eliminate a sequence or
5 a containment failure mode that contributes a large fraction of the plant risk.

6 And the third factor is whether the risk reduction is associated
7 with aging effects during the period of extended operation; in which case, if it
8 was, we would be looking at implementation as part of the license renewal
9 process.

10 The preliminary results of the SAMA evaluation are
11 summarized on the next slide. Fourteen candidate improvements were
12 evaluated for Catawba. This included six SAMAs that were related to reducing
13 the frequency of core damage, and eight SAMAs related to improving
14 containment performance in a severe accident.

15 In addition, the costs and benefits of installing a dedicated
16 power line from the Wiley hydroelectric station were also evaluated, effectively
17 increasing the number of SAMAs evaluated to 15.

18 Now in summarizing the results, Duke did not find any of the
19 improvements to be cost-beneficial; however, the NRC staff concludes that two
20 of these appear cost-beneficial when evaluated in accordance with NRC
21 regulatory analysis guidelines.

22 The first cost-beneficial SAMA involves installing a water-tight
23 wall around an electrical transformer located in the turbine building basement.
24 This SAMA would prevent certain internal flooding events from proceeding to
25 a station blackout due to a failure of the transformer. It appears to be cost-

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 beneficial based on the risk reduction and cost information provided by Duke.
2 This SAMA does not relate to adequately managing the effect of aging during
3 the period of extended operation and therefore, it need not be implemented as
4 part of license renewal pursuant to the regulations. However, the staff intends
5 to pursue this matter as a current operating plant issue and a possible plant-
6 specific backfit.

7 The second cost-beneficial SAMA involves providing a
8 backup source of electric power to the hydrogen igniter system. The igniter
9 system is dependent on AC power and would be unavailable in a station
10 blackout event. This SAMA would permit the igniter system to be operated
11 during station blackout, thereby reducing the likelihood of containment failure
12 due to hydrogen combustion. The SAMA appears to be cost-beneficial if only
13 the hydrogen igniters need to be powered from the backup power source.
14 However, it might be necessary to also supply the containment air return fans
15 from a backup power source in order to ensure adequate mixing of the
16 containment atmosphere. If both igniters and air return fans must be supplied
17 from backup power, the SAMA becomes more expensive and may not be cost-
18 beneficial.

19 Now getting back to whether this relates to adequately
20 managing aging, it does not. This SAMA doesn't tie back to aging effects, and
21 therefore, it need not be implemented as part of license renewal, pursuant to
22 the regulations. However, the need for plant changes related to hydrogen
23 control are currently being assessed by NRC as a formal generic safety issue.
24 And as part of that issue, the NRC staff is carefully considering whether air
25 return fans are needed and whether plant improvements for hydrogen control

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 should be required at all plants with ice condenser containments, including
2 Catawba.

3 Any improvements identified through the resolution of this
4 generic safety issue will be addressed under the current operating license.

5 So to summarize on the next slide, our overall conclusion is
6 that additional plant improvements to further mitigate severe accidents are not
7 required at Catawba as part of license renewal; however, improvements to
8 hydrogen control and installation of a water-tight wall, are being further
9 evaluated as current operating license issues.

10 I'll take any questions you have.

11 MR. CAMERON: Questions for Bob on the severe accident
12 aspects of the draft environmental impact statement?

13 Yes, sir, and please just give us your name.

14 MR. JENETTA: My name is Tony Jenetta.

15 In regards to aging of equipment, you say that you're not
16 going to do a measurement aspect of the existing plant as it exists at this point.
17 I'm worried about the containment, the containment walls and the existing plant
18 over the years that it's been in operation. Is there any kind of monitoring
19 devices that measures the existing equipment and future equipment of the
20 containment vessel itself as we go day to day?

21 MR. CAMERON: I think we're going to ask Rani to address
22 that for you. Rani -- and Rani, do you understand the question that the
23 gentleman is asking?

24 MS. FRANOVICH: Well, I'm going to rephrase it to make
25 sure I understand. Are you talking about concrete containment structure or are

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 you talking about what is within containment?

2 MR. JENETTA: As we age, we weaken, whether it be a
3 human being or a car. So this plant has been in operation over a period of
4 years and so there's certain fatigue in construction. Has Duke got the
5 capability of monitoring this fatigue over the years that it's been in operation?
6 And if extended 20 years more, how would this be measured in future
7 development and building?

8 MS. FRANOVICH: Okay, as far as the future development
9 and building, I'm not sure I understand how that pertains to the renewal of the
10 existing plant. But you can follow up on that when I give you the answer to the
11 previous questions you had.

12 Duke is proposing aging management of the concrete
13 structure as well as the safety-related equipment inside of containment. And
14 they have different aging management programs for different pieces of
15 equipment and it depends upon what the equipment is composed of, whether
16 it's steel, concrete, electronics, cables, and the environment that the equipment
17 is in. So if you look at Duke's license renewal application, you will see how they
18 designate or identify all of the components and structures that meet the
19 scoping criteria for the rule. They talk about what materials they are
20 constructed of, what environments they're in and what the aging management
21 program will be to manage or monitor their aging. The NRC staff is in the
22 process now of determining whether or not what Duke proposes to do is
23 adequate.

24 You also mentioned fatigue. Fatigue is one of the time-
25 limited aging analyses that I talked about during my presentation. And it's

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 really an analysis for the original plant life that's revisited and re-approved for
2 an additional 20 or however many years the extended period of operation will
3 be. So that's how they address the fatigue of certain components.

4 Does that answer your question?

5 MR. CAMERON: And Rani, I take it that you're -- well go
6 back to you in a minute, sir. I take it that what you're saying is that there are
7 various monitoring programs that Duke is proposing and that we're reviewing
8 to deal with aging and fatigue.

9 MS. FRANOVICH: That's correct. The program that they
10 designate for monitoring or managing the effects of aging of different
11 components really depends on what material it is -- what the material of the
12 component is and what the environment is. But the application has all of that
13 information on what they propose to do and the staff is still in the process of
14 evaluating the acceptability of what the applicant proposes.

15 MR. CAMERON: Do you have a follow up on that, sir?

16 MR. JENETTA: In regards to the follow up, and evaluating
17 the components and the material and construction as the years go by, there
18 needs to be public mandate in regards to Duke advocating if there's a
19 weakness of the years in certain structures. And NRC should maybe require
20 more monitoring aspect or re-evaluating if there needs to be reconstruction of
21 the Units 1 or 2.

22 MS. FRANOVICH: Okay.

23 MR. JENETTA: That's an ongoing thing as the units
24 continue. Re-evaluation should be an ongoing scope of the --

25 MS. FRANOVICH: The staff agrees with you -- the staff

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 agrees with you and, in fact, what we've built into the guidance documents that
2 we've written for how applicants prepare their applications, involves an element
3 called corrective action and that gets to exactly what you're talking about. If
4 there is an identified deficiency, degradation, aging, failure, then Duke is
5 required to address it, take corrective action and make it safe again. So you're
6 absolutely right and our guidance documents address that and so does the
7 application that Duke gave us. They talk about their corrective action element
8 for each and every aging management program that they propose for
9 monitoring and managing aging. So we agree with you.

10 MR. CAMERON: Okay, thank you for that comment, sir, and
11 thank you, Rani.

12 MS. FRANOVICH: Sure.

13 MR. CAMERON: Other questions on either severe accident
14 mitigation alternatives or other issues at this point?

15 (No response.)

16 MR. CAMERON: Okay. Thank you, Bob.

17 Let's go to Jim Wilson for a summing up here and where
18 comments can be submitted. Jim.

19 MR. WILSON: To summarize... The impacts of license
20 renewal at Catawba are small for all impact areas. In comparison, the impacts
21 of alternatives to license renewal range from small to large. Therefore, the
22 staff's preliminary conclusion is that the adverse impacts of license renewal at
23 Catawba are not so great that preserving the option of license renewal for
24 energy planning decision-makers would be unreasonable.

25 A quick recap of current status. We issued the draft

1 environmental impact statement for Catawba license renewal in May. We are
2 in the middle of a public comment period that was scheduled to close on
3 August 9 and we expect to address public comments, including any necessary
4 revisions to the draft environmental impact statement for license renewal and
5 issue the final environmental impact statement in January of 2003.

This slide provides information on how to access the Catawba environmental impact statement. You can contact me directly at the phone number provided and I'll mail you a copy. You can view the document at the public library here in Rock Hill and the document is available on the web at the address given. We've also brought a number of copies of the supplemental environmental impact statement for Catawba and they're available in the side room where you came in and registered.

This last slide gives details on how to submit comments on the draft Catawba environmental impact statement after this meeting, up until the 9th of August. You can submit comments in writing, by e-mail or by regular mail at the addresses given, or you can bring them in person to NRC headquarters at Rockville, Maryland.

18 That concludes our presentations at today's meeting. Any
19 questions?

20 MR. CAMERON: Jim, can you just and perhaps Rani,
21 particularly in light of this gentleman's question on the safety review -- can you
22 tell us how the environmental review ties into the completion of the safety
23 review, just in terms of scheduling? Can you just sort of lay that out for us?

24 MR. WILSON: Okay, I'll note that Rani talked about this at
25 the beginning of her presentation at today's meeting. We're going to revise the

1 draft environmental impact statement and issue it as final document in January
2 of 2003. Soon after that, the staff will be completing its safety evaluation and
3 issuing its safety evaluation report. Concurrently with preparation of the
4 environmental impact statement and the safety evaluation report are
5 inspections that are conducted by regional inspection staff. They'll prepare
6 inspection reports for the Commission's consideration.

7 All of these documents will come together, along with a report
8 from the ACRS, the Commission's expert body of consultants, and will be
9 available to the Commission in making a final decision on license renewal at
10 Catawba.

11 MR. CAMERON: Okay, and that independent evaluation by
12 the Advisory Committee of Reactor Safeguards, that's available -- a publicly
13 available document, is that right, if people want to look at what that
14 independent group says about all this.

15 MR. WILSON: Unless the Commission determines that they
16 want some part of it held back. In the past, they have been.

17 MR. CAMERON: But generally.

18 MR. WILSON: Generally they are, yes.

19 MR. CAMERON: Okay. Questions for Jim, for Rani,
20 anybody, for Mary Ann, on the findings and draft before we go on?

21 (No response.)

22 MR. CAMERON: Okay, thank you very much, Jim.

23 This is the part of the meeting where we ask members of the
24 public to give us comments. And before we go to those comments, I'd like to
25 ask Gary Peterson from Duke Energy -- he's the vice president at Catawba

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 Nuclear Station, to just give us a little bit of background on the rationale for the
2 license renewal application and whatever else that you'd like to share with us.
3 Gary Peterson.

4 MR. PETERSON: Thank you, Chip.

5 I'd like to thank all the members of the public and the
6 community who have taken the time out of their busy schedule today to come
7 to this hearing.

8 On behalf of Duke Power and the co-owners of Catawba
9 Nuclear Station, I'd like to thank our employees and the license renewal team
10 for their continuous dedication and steadfast commitment to making Catawba
11 successful over the past 17 years of operation. They have truly made this
12 station worthy of license renewal.

13 We also would like to recognize the NRC staff for their hard
14 work that they have developed and implemented a very thorough, effective and
15 efficient license renewal process accompanying extensive environmental and
16 technical reviews that you've heard here today.

17 After reviewing the Catawba draft environmental impact
18 statement, the completeness of their efforts is very evident. And based on our
19 initial review, Duke Power agrees with the conclusions of the report. Our
20 technical staff is reviewing the report in detail and we will provide any written
21 comments by the August 9 deadline.

22 Finally, and most important, we want to thank our community
23 for its support of our operations. We work extremely hard to be a good
24 neighbor and a responsible corporate citizen. The confidence our neighbors
25 have demonstrated in our ability as nuclear professionals is well-founded.

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 I can assure you that the safe operation of Catawba Nuclear
2 Station is and always will be our top priority here in the community. We
3 appreciate the opportunity to work through this license renewal process as it
4 continues. We are extremely proud of our facility, our employees, our station
5 and our operations. We look forward to the possibility of serving the
6 community and our customers for the many years to come.

7 Thank you.

8 MR. CAMERON: Thank you very much, Gary.

9 Next we're going to go to Mr. Ed Fitzgerald from the Sierra
10 Club. Ed, would you like to share your thoughts with us? Thank you.

11 MR. FITZGERALD: My name is Ed Fitzgerald and I'm the
12 Chair of the South Carolina Sierra Club, and Chip, thank you for the opportunity
13 to speak to the group again.

14 I spoke at the October 23 scoping process and most of our
15 thoughts are part of the public record. But I wanted to reiterate once again our
16 concern that the projected operating life before decommissioning of the plant
17 extends out to 2044. We question that strategy, but with the proposed
18 introduction of MOX fuel, which throws some more questions into the equation
19 about the longevity of the plant, we again are concerned about that issue which
20 lies out in front of us.

21 Our major concern from the Sierra Club is again the
22 introduction of MOX fuel, which has only been briefly mentioned here this
23 afternoon, which will be -- as planned by the operators, at least that's what
24 they've said, to become a major component of the fuel source. It is our belief
25 and the belief of others who have studied that that the introduction of MOX fuel

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 puts additional stresses and corrosive activities in the plant which would again
2 question the likelihood of that plant being an integral part of alternatives
3 process out to an additional 20 years.

4 The Sierra Club passed a resolution on this issue in October
5 2001, opposing the shipment in plutonium weapons-grade nuclear material
6 from various places, including Rocky Flats, Colorado into the Savannah River
7 Site for the ultimate conversion into MOX fuel. If you watch the press and
8 watch the national coverage of this, our Governor Hodges opposed that. He
9 was unsuccessful at this point blocking the shipments by the Department of
10 Energy. It's going to go into court but it's doubtful at this point whether
11 the Governor is going to be able to contain the shipments to Savannah River,
12 which should start shortly.

13 We have actively supported Governor in his stance on
14 barring nuclear plutonium into South Carolina without a clear exit strategy, but
15 at this point, we believe that issue is over with.

16 Our position remains unchanged, I don't want to bore you
17 with all the information that's already in the record, but once again, we believe
18 that the application for the license under scoping review -- this issue today is
19 the same as the scoping issue -- that the Catawba Nuclear Station will
20 ultimately use MOX as part of the fuel component, that the South Carolina
21 Sierra Club views this application process today as seriously flawed because
22 the real issue in front of us is really what's going to happen down the road when
23 they discuss introducing MOX. And all the statistics and all the information we
24 heard today relates to conventional fuel, not to MOX. And that the Duke Energy
25 withdraw its application and proceed to request the NRC for the license to use

NEAL R. GROSS

COURT REPORTERS AND TRANSCRIBERS

1323 RHODE ISLAND AVE., N.W.

WASHINGTON, D.C. 20005-3701

(202) 234-4433

(202) 234-4433

1 the introduction of MOX and then we'll take the new information and we'll object
2 to that as well.

3 So once again, thank you very much, Chip.

4 MR. CAMERON: Thank you for giving us the views of South
5 Carolina Sierra Club on that issue -- on these issues.

6 Is there anybody else who desires to make a comment to us
7 this afternoon?

9 MR. CAMERON: Okay, we are going to be back for a 7:00
10 meeting tonight and a 6:00 open house for informal discussion. And in that
11 vein, I would just ask the NRC staff, some of our expert consultants, to just
12 make sure that they informally talk with any of the people here today who might
13 have further questions, either on safety issues, on MOX implications, whatever.
14 Make sure that we get the information that they might want out to them.

15 And with that, I would just thank you for being here this
16 afternoon and we're adjourned until open house at 6:00. Thank you.